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28 APR 1977

TASK FOR THE CIA FROM PRM ON KOREA

What are the public opinion concerns with our withdrawal from Korea in the various countries involved?

1. We should address these as we go through the process of making this decision.
2. We should find ways to minimize the adverse impact.

NSC review completed

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SECRETU.S. Ground Force Withdrawals from Korea:  
Advantages and Disadvantages

Withdrawal of U.S. ground troops over a four to five year period would result in important advantages from U.S. policy standpoints; it would also involve disadvantages and risks.

Advantages

1. When completed, withdrawal of ground troops will eliminate the risk of automatic U.S. ground force involvement in any renewed hostilities, while retaining our security commitment as well as our essential air presence and naval role.
2. Ground force withdrawal will reduce the danger of a Congressional challenge to our basic security relationship, lessen Congressional pressures for complete withdrawal of our presence, and strengthen Congressional support for our essential security assistance program.
3. Ground force withdrawal will spur South Korean efforts to achieve greater military self reliance.
4. Withdrawals will free U.S. forces for deployment elsewhere.
5. Our moves will implement the President's pledge on ground troop withdrawal.

The Disadvantages and Risks

1. Unless compensated for, withdrawals will reduce overall combat power and mobility in South Korea, weaken command and control, and reduce intelligence capability.
2. Ground troop withdrawals will reduce the deterrence to North Korean aggression. This effect would be increased by complete and simultaneous withdrawal of nuclear weapons.

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3. Withdrawals could stimulate President Park to attempt to reactivate South Korea's nuclear and long-range missile programs.

4. Withdrawals will heighten South Korean anxieties over the future and could lead to political instability greater repression. They might also adversely affect the ROK economy and the investment climate.

5. Ground force withdrawals may reduce our ability to restrain ROK military and other responses to North-South incidents.

6. There will be heightened concern in the PRC, Japan, and other countries of the region that the United States is disengaging from Asia, more because of domestic considerations than as the result of favorable changes in the strategic balance.

7. The USSR may become more responsive to North Korean pressures for increased military assistance as South Korean military capabilities expand and U.S. restraints and presence are reduced.

Taking the foregoing into account, the Options developed in PRM-13 consider the compensatory and reassuring steps necessary to reduce disadvantages and risks; they also consider the ways in which risks may be heightened or reduced by combinations of actions under the various sets of options.

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## THE US FORCE WITHDRAWAL FROM KOREA:

### RISKS AND COMPENSATIONS

The essential risk involved in a US force reduction flows from our judgment that the North continues to seek reunification on its own terms and has not ruled out the use of force. The US security commitment has been a major factor in deterring renewed hostilities, and the US ground force deployment has been an important element of this commitment. Thus there is general agreement that a US ground force withdrawal will have some negative impact on the deterrent.

In strictly military terms, there is also general agreement that adequately armed and led South Korean troops could, with US tactical air and logistical support, repel a North Korean invasion. There are, however, doubts--short of a prevailing view--that the deterrent itself will be maintained in the absence of US ground forces. The extent of the doubts varies according to different sets of judgments about the ability of the South Koreans to improve their defensive capabilities sufficiently before the withdrawal is completed; the general atmosphere that would prevail thereafter; and the uncertainties stemming from the fact that the North Koreans themselves are the ultimate judges of the deterrent.

In deciding whether to undertake major hostilities, Pyongyang is likely to weigh its military objectives against its perceptions of political conditions in the South, the status of US-ROK relations (e.g., the reliability of the US security commitment) and the net military balance.

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The North's most likely military objective would be to seize Seoul, lying only 25 miles from the DMZ, in the shortest possible time and then to consolidate its gains. In so moving, Pyongyang would hope to deny the South the opportunity to bring its larger reserve forces into play, minimize the duration and extent of US involvement, and avoid reliance on Soviet or Chinese military assistance. And in moving successfully, the North would calculate that it could easily achieve complete reunification on its own terms given the demographic, economic, and political significance of Seoul and its environs.

Political turmoil in the South would be an important inducement to the North, since it would provide a pretext for intervening, lessen South Korea's ability to defend itself, and perhaps cause the US to avoid military involvement. In assessing the prospects for unrest, the North may be especially hopeful that members of the South Korean elite will come to believe that President Pak's policies and behavior have significantly lessened the US security commitment to Korea and thus attempt to oust him. In view of the US withdrawal, the human rights issue and the US investigation of alleged ROKG improprieties in Washington, the North may believe that the chances of a concomitant worsening of US-ROK relations and South Korean dissatisfaction with Pak are reasonably good.

In weighing the net military balance after the withdrawal of US ground forces, the North will assess the extent to which

-2-

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the South Koreans have absorbed the 2nd Division's anti-tank capabilities, have created command and control arrangements and otherwise improved their military posture. The North will also be interested in determining the degree of coordination between US tactical aircraft and ROK ground forces.

Even in a worst case scenario--serious US-ROK frictions, political unrest in the South, and clearly perceived ROK military deficiencies--the North would remain uncertain about the US will to intervene massively and decisively. However, other considerations--perhaps Kim Il-song's advancing age or a judgment that time no longer favored the North--could lead Pyongyang to run the risk and opt for hostilities. In this respect, the most sensitive period would appear to run from fairly near the end of the US troop withdrawal until 1985, when we estimate that the South will be making major progress in redressing the military balance between the two sides alone.

There are various ways in which the basic risk to the deterrent can be reduced:

- careful consideration of the timing and extent of the US withdrawal;

- various compensatory measures designed to improve ROK military capabilities;

- assuring that our other actions do not send the wrong message to either the North or the South, but rather demonstrate our continued security commitment.

Stretching the withdrawal over a period of four to five years would do a great deal to facilitate the necessary improvement in ROK capabilities and, in short, appears to be a wholly necessary step. The extent of the withdrawal--whether to make an irrevocable commitment to withdraw all ground forces by a set date--warrants special consideration. It might be prudent to retain some flexibility about a final departure date, given the possibility of unfavorable circumstances developing a few years hence. Flexibility in this respect might encourage the South Koreans in turn to attempt a delaying operation, but this possibility appears manageable. We reserve judgment, however, on whether US Congressional cooperation and support might be decreased by the lack of a firm commitment to withdraw.

Compensation measures designed to bolster ROK anti-tank capabilities and command and control arrangements need special priority. The US 2nd Division, for example, has more of an anti-tank capability than the entire ROK armu. North Korean military strategy, moreover, relies heavily on rapid armored advances. Should budget restrictions limit the overall size of the compensation package, priority should be given to improving ROK command and control arrangements rather than achieving a 75-day war reserve stock.

US-ROK problems such as the human rights issue will need to be carefully managed during the withdrawal period so as to avoid excessive bilateral frictions and perhaps political unrest in the South as well. Diplomatically, the ROK will

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be acutely sensitive to the possibility of US-North Korean bilateral contacts and to any modification of the cross recognition formula. Movement in these areas could increase South Korean anxiety that our ground force withdrawal is only a prelude to a total pull out. A decision to withdraw all US nuclear weapons from Korea rapidly could also be misinterpreted by North and South alike. The deployment of a USAF squadron to Korea and continued US-ROK training exercises, on the other hand, would be useful signals to both sides.

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A second risk relating to peace on the peninsula is that an escalatory series of incidents along the DMZ could lead to serious hostilities following South Korea assumption of command and control arrangements. While it is clear that a steady US hand has been useful during previous periods of North Korean provocation, there is no clear cut way of assessing whether both sides might be compelled into major hostilities by intense animosity and reasons of face. The resulting uncertainty in this regard appears to be an inevitable price for a US ground force withdrawal.

Other potential risks--strong Japanese interests in the peninsula, Soviet and Chinese concerns, and general South Korean anxieties about their future--essentially relate to the issue of whether peace on the peninsula can be maintained by means of a credible deterrent and measured South Korean responses to North Korean provocation.

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1. For thirty years, North Korea has steadfastly sought the reunification of the Korean Peninsula on its own terms. It has been deterred since the mid 50's from the use of force by combined US-South Korean military strength and the US commitment to the defense of the South. Over the last five years, however, the military balance between North and South Korea alone has changed from a position of rough equality to one that favors the North. Stable deterrence therefore now depends on the presence of US military forces in Korea.

2. In this situation the withdrawal of US ground forces runs a risk of upsetting a delicate balance. The North might be encouraged to believe that US will to defend South Korea was weakening and therefore would conclude that there was less risk in seeking reunification by force. The withdrawal will shake South Korean confidence and could cause political instability. Uncertainties among foreign investors could have a serious impact on the South Korean economy. In the context of the human rights issue and the alleged ROKG improprieties in Washington, members of the South Korean elite may come to believe that President Pak's policies and behavior have contributed to a reduction in the US security commitment, and might seek to oust him. Political turmoil in the South would create an important temptation to the North, since it would provide a pretext for intervening, lessen South Korea's ability to defend itself, and perhaps cause the US to avoid military involvement.

3. Should the North move, its most likely military objective would be to seize Seoul, lying only 25 miles from the DMZ, in the shortest possible time and then to consolidate its gains. In so moving, Pyongyang would hope to deny the South the opportunity to bring its larger reserve forces into play, minimize

the duration and extent of US involvement, and avoid reliance on Soviet or Chinese military assistance. Moreover, the North has postured itself to withstand any initial US retaliatory strikes. It might calculate that the US, China, and the USSR would all seek to bring hostilities to an end at the earliest possible time. In such a situation, with the ROKG likely in disarray, the North would see itself in an extremely advantageous position.

4. If events did not follow this dangerous course, the US would still suffer some loss of control over the situation. The ROKG has made it clear that it will insist on full control of its own forces if there is any significant reduction in US force levels. This would increase the risk that minor incidents might escalate beyond control. Moreover, South Korean interest in acquiring advanced weapons would be rekindled. And finally, any perceptions that the US commitment had diminished would have severe repercussions on US relations with Japan, which considers the commitment and troop presence as central to maintaining stability in Korea, and hence to its own security.

5. The weaknesses in South Korean military forces, particularly in anti-tank weapons, can be rectified by substantially increased US assistance. It should be noted, however, that this assistance will probably have to continue over a number of years if the military forces of the South are to keep pace with those of the North. Beyond, this, however, the crucial factor will be whether the US conducts itself in ways that demonstrate to the North Koreans and reassure the South Koreans and Japanese that our commitment is as firm as ever. The extent and timing of ground force withdrawal, the retention of US air, naval, and army support capabilities in Korea, and US diplomatic activities can emphasize this message. But nonetheless the situation will be more uncertain after ground force withdrawal than it is at present.

Executive Registry

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NATIONAL SECURITY COUNCIL  
WASHINGTON, D.C. 20500

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April 27, 1977

MEMORANDUM FOR

The Vice President  
The Secretary of State  
The Secretary of Defense  
The Secretary of the Treasury  
The Director, Office of Management  
and Budget  
The Chairman, Joint Chiefs of Staff  
The Director, Arms Control and  
Disarmament Agency  
The Director of Central Intelligence  
The Assistant to the President for  
Domestic Affairs and Policy

SUBJECT:

Discussion Paper for Today's NSC  
Meeting on Korea at 3:30 pm

Attached is a paper to be used as a basis for discussion at today's  
NSC meeting on Korea at 3:30 p.m., in the White House Cabinet Room.

*MH*  
Michael Hornblow  
Acting Staff Secretary

Attachment

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U.S. Ground Force Withdrawals from Korea;  
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Advantages

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4. Withdrawals will free U.S. forces for deployment elsewhere...
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3. Withdrawals could stimulate President Park to attempt to reactivate South Korea's nuclear and long-range missile programs.

4. Withdrawals will heighten South Korean anxieties over the future and could lead to political instability greater repression. They might also adversely affect the ROK economy and the investment climate.

5. Ground force withdrawals may reduce our ability to restrain ROK military and other responses to North-South incidents.

6. There will be heightened concern in the PRC, Japan, and other countries of the region that the United States is disengaging from Asia, more because of domestic considerations than as the result of favorable changes in the strategic balance.

7. The USSR may become more responsive to North Korean pressures for increased military assistance as South Korean military capabilities expand and U.S. restraints and presence are reduced.

Taking the foregoing into account, the Options developed in PRM-13 consider the compensatory and reassuring steps necessary to reduce disadvantages and risks; they also consider the ways in which risks may be heightened or reduced by combinations of actions under the various sets of options.

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Next 1 Page(s) In Document Denied

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THE DIRECTOR OF  
CENTRAL INTELLIGENCE

77-7630

National Intelligence Officers

13 May 1977

NOTE FOR: The Director

SUBJECT: US Troop Withdrawal from Korea

1. Attached is the assessment you requested regarding risks of withdrawing US ground forces from South Korea. It also addresses compensating measures and international reactions.

2. The paper was prepared under auspices of the NIO/EAP and reviewed by all representatives of the Intelligence Community except State/INR. While an INR representative participated throughout the drafting, Hal Saunders is reluctant to associate INR with the paper.

3. General Brown also asked for a limited risk assessment. It will be prepared by DIA and will draw extensively on our paper.



Robert R. Bowie  
D/DCI/NI

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US GROUND FORCES WITHDRAWAL: KOREAN  
STABILITY AND FOREIGN REACTIONS\*

Withdrawing US ground forces from Korea involves a variety of risks that revolve around stability on the peninsula and international reactions especially of the other major Asian powers. Following a withdrawal, the situation in Korea will be more uncertain than it is now, and the general perception of the US as an Asian power will be diminished. The extent to which these tendencies develop depends largely upon the combination of measures employed to offset or reduce the risks of a withdrawal.

Stability on the Peninsula

Setting

1. The North continues to seek reunification on its own terms and has not ruled out the use of force. It has been deterred by US-South Korean military strength and the US commitment to the South, the most credible manifestation of which has been the presence of US combat forces on the peninsula. Since 1970, however, the military balance between North and South Korea alone has changed from rough equality to one that substantially favors the North. This imbalance is likely to continue for at least the next five years.

The Risks

2. Our most important judgment is that Pyongyang would view the withdrawal of US ground forces [redacted] as removing key elements of deterrence.

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\* This paper was prepared under the auspices of the National Intelligence Officer for East Asia and the Pacific and is based on a draft prepared by CIA and reviewed by representatives of that Agency, DIA, NSA, and intelligence organizations of the military services.



SECRET

- 2 -

3. Moreover:

- A US ground force withdrawal could greatly reduce ROK command and control and intelligence capabilities.

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- The withdrawal of US ground forces could lead to diminished US control of the ROK armed forces. The South Koreans may seek greater control of their own forces in light of a significant reduction in US ground forces. This would remove the restraining influence of the US over ROK reactions to North Korean provocations.

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- Foreign lender confidence in South Korea may decrease. A ground forces withdrawal may make it more difficult for South Korea to attract needed foreign capital. South Korea depends on a heavy flow of foreign capital to pay off existing debts, keep its economy growing, and build up its defense industries. Seoul's economic progress over the years has been a critical factor in maintaining political stability and general confidence in the Pak government.
- A US withdrawal, combined with a deterioration in US-ROK relations, could create political instability in the South. President Pak's ability to remain in power hinges in an important way on his management of relations with the US; this could become critical during and after a troop withdrawal.

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- 3 -

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-- The withdrawal of US ground troops could undermine South Korean resolve. US ground forces have always been an important psychological factor in South Korea. The withdrawal of these troops would have a major impact on the morale of the South Korean military and is also likely to affect general civilian confidence in the future of the country, as well.

4. In deciding whether to undertake major hostilities during or after a US withdrawal, Pyongyang would be heavily influenced by its perceptions of the reliability of the US security commitment, the military balance, and political conditions in the South. If Pyongyang decided to attack the South, its most likely immediate military objective would be the rapid seizure of Seoul, and the consolidation of its gains.\* In so moving, Pyongyang would hope to deny the South the opportunity to bring its larger reserve forces into play, minimize the duration and extent of US involvement, and avoid reliance on Soviet or Chinese military assistance. It might calculate that the US, China, and the USSR would all seek to bring hostilities to an end at the earliest possible time. In such a situation, with the ROKG likely in disarray, the North would see itself in an extremely advantageous position.

#### Compensating Measures

5. The ROK cannot, on its own, correct its military deficiencies and compensate for the capabilities of the US ground

\* The imbalance favoring the North over the South alone is probably sufficient to assure the success of a well-executed military operation to seize the Seoul area. This assessment is based in large part on the ability of the North to achieve sufficient surprise to preclude South Korea from bringing its ground and air capabilities to bear in time to counter such an attack.

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SECRET

- 4 -

forces over the next five years under the current Force Improvement Plan.

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6. South Korea has a limited ability to increase defense allocations above planned levels without seriously reducing economic growth. During the next five years, each additional \$1 billion in annual ROK defense spending above programmed levels will reduce the planned annual increase in GNP by roughly 15 percent. The reduced GNP growth rate in turn would restrict subsequent government revenues, and increase Seoul's difficulty in attracting the large amounts of foreign capital it needs to sustain its export oriented economy.

7. The US, however, can reduce the risks attendant to withdrawal in a variety of ways:

- Retaining US tactical air capability and a residual logistical support group. Given the military balance, there is little question of the importance of maintaining US tactical air and residual logistic support facilities.
- Phasing troop withdrawals. A prolonged ground force withdrawal would have a less unfavorable impact than an early, compressed withdrawal. Indeed, leaving open the date for the withdrawal of all ground forces would have important effects in Pyongyang and Seoul. Both would view an open-ended schedule as an indication that withdrawal would be governed more by security conditions on the peninsula than by US domestic pressures. Moreover, the continued presence of US ground combat units, although reduced in size, will still confront Pyongyang with the possibility that aggression could result in some form of massive US intervention. Any inclination in the North to undertake provocations during a withdrawal would thus be inhibited. The South might be more inclined to delay assuming greater control of their own forces or more

SECRET

SECRET

- 5 -

willing to compromise in determining transfer of command arrangements. The result would be more US restraining influence over possible ROK military reactions.

-- Retaining intelligence assets that might provide early warning of a North Korean attack. Early warning of an attack is absolutely essential for the successful defense of the South. Warning time is already critical and will become more so after US withdrawals. The ROK is deficient in sophisticated capabilities that could provide timely information on North Korean activity and indicators of hostile intent.

-- Assisting the ROK in strengthening its defenses and in acquiring the military equivalence of the US ground forces now stationed in Korea. A strong, unequivocal US effort to improve ROK military capabilities would be critical to continued stability on the peninsula. Such an effort would alter Pyongyang's perception of the military balance, enhance the prospects for continued political stability in the South,

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-- Assuring that other US actions or statements do not send the wrong signal to either the North or the South, but rather underscore the continued US security commitment. Diplomatically, the ROK is acutely sensitive to the possibility of US-North Korean contacts and to any modification of the cross recognition formula. Movement in these areas could increase South Korean anxiety that our ground force withdrawal is only a prelude to a total pull out.

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On the other hand, initiatives to increase understandings among the major powers about the desirability of stability on the peninsula would be seen by Seoul as continued US willingness to work in its behalf and by Pyongyang with discomfort.

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SECRET

- 6 -

The US security commitment would also be reinforced in Pyongyang and Seoul by the augmentation of US air power in the South, forward basing of US Navy assets in the Pacific, and demonstrations of US mobility capabilities through field exercises.

To be credible in the Koreas and elsewhere, our public statements regarding US commitment to South Korea's security should carry the clear message that our decisions on force levels will be based on security considerations. Such statements, supported by the compensating measures mentioned above, would have an important ameliorative effect on all elements relating to stability on the peninsula, including morale in the South and confidence of its economic lenders.

#### International Reactions

##### Japan

8. Tokyo prefers that US ground forces remain in Korea, but is resigned to a withdrawal. Japanese perceptions of and policies regarding security issues in Northeast Asia and the peninsula in particular are unlikely to change appreciably.

9. Japanese leaders want the US to preserve a maximum presence in Asia. They believe that stability in Korea is essential to Japan's own security. Even so, Japan has been especially wary of direct involvement in South Korean security issues in light of its "no-war" constitution, its limited self-defense forces, and consistently negative Japanese popular attitudes toward issues termed either "Korean" or "military." Although the Japanese public dialogue is now more open  about security issues, Japanese leaders still consider any direct military contribution to South Korean security a political impossibility.

10. In 1976-77, the Japanese government voiced greater concern about Washington's intention to withdraw US ground

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SECRET

- 7 -

forces than it did in 1970 about the removal of the 7th Infantry Division. In stressing these concerns, Tokyo must realize that it is inviting a US counterproposal, i.e., that Japan more directly contribute to Korean security, something Tokyo is not prepared to do. Specifically, the Japanese are concerned that a withdrawal:

- be undertaken only after a careful review of strategic considerations and explained in such terms. The Japanese do not want a US withdrawal to be perceived as a consequence of US domestic pressures to chastise President Pak. Any evidence that US domestic concerns are overriding the strategic interests of its Asian allies would, in Japanese eyes, call into question American reliability.
- be carefully phased over 4-5 years to lessen the impact on the strategic balance and provide time for strengthening South Korean capabilities.
- involve consultations with Japan, enabling the government to assimilate US thinking and to demonstrate at home that Washington is taking Tokyo's interests into account. At the same time, the Japanese do not want to be cast in a codeterminant role that might involve responsibilities Tokyo would like to avoid.

11. In voicing concern about a withdrawal, Tokyo is reassuring South Korea that it remains of paramount importance in Japan's view of the peninsula. [REDACTED]

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[REDACTED] Predictably, Pyongyang has reacted strongly to Tokyo's public support for a continued US military presence in the South. But Tokyo's continuing support for Seoul is no surprise to the North, and the economic benefit of closer ties with Japan may prompt some positive responses by Pyongyang.

12. Tokyo does not expect the North to change its hostile attitude toward the South or to abandon its objective of con-

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SECRET

- 8 -

trolling the entire peninsula. The Japanese, however, believe that closer ties with Pyongyang will at least improve their chances of acting as a moderating influence and serve as a hedge against any further unanticipated adjustments in US policy in the region.

13. Tokyo realizes that its increased nonmilitary involvement in Korean affairs cannot compensate for a shrinking US military presence in the South. Thus, Japan can be expected to continue to work for new international understandings that would shore up stability on the peninsula; in this respect, Tokyo would undoubtedly welcome any new US initiatives. Japan has been quietly representing Seoul's interests in both Moscow and Peking.

#### Pyongyang's Major Allies

14. A major factor currently shaping the strategic balance in Northeast Asia has been a rare convergence of Chinese and Soviet interest in maintaining Korean stability.

15. The PRC and USSR approach the Korean situation in ambivalent terms. Both are Pyongyang's treaty allies and traditional military suppliers, and both, in part because of their political rivalry with each other, publicly support North Korea's call for withdrawal of US forces from the South. On the other hand, both Peking and Moscow clearly have placed pursuit of useful relations with the US and Japan above North Korean ambitions for reunification. They seek to disassociate themselves from Kim Il-song's more rash actions and view the US security commitment to Seoul as a useful ingredient in the mix of factors that keep peace on the peninsula and restrain any Japanese impulse toward rearmament. The Chinese tacitly have taken an especially positive view of US military presence, not only in Korea but throughout East Asia, seeing it as a help in blocking the expansion of Soviet influence in the region.

16. We lack hard and authoritative information on Moscow's and Peking's reaction to proposed US force reductions in Korea. Low level Soviet commentary has emphasized the likely maintenance of US air power in South Korea, pointing out that this represents continued US support for the Pak government and connotes no real change in the situation. The private comments of a few Chinese officials abroad have been in the same vein.

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- 9 -

17. This scant evidence probably reflects Chinese and Soviet concern that any withdrawal of US ground forces be accomplished in a manner that does not disrupt the basic political and military status quo on the peninsula. As long as a US force reduction is accompanied by effective compensating measures -- and the maintenance of US air and naval power in the area -- it will be seen by Moscow and Peking as a continuation of the US military drawdown in Asia but not as the removal of a credible US security commitment to South Korea.

18. Peking and Moscow probably fear that Kim will move too quickly and aggressively toward a "tension-building" policy in the wake of a US force reduction. There is some evidence that Kim unsuccessfully sought Chinese support for such a policy following the fall of Saigon in April 1975.

19. Moscow and Peking would be motivated to discourage Kim from embarking on a major conflict with all of its troublesome and uncertain implications for Japanese security policy, bilateral relations with the US, and the power balance in East Asia. But, if Kim became convinced that the US no longer posed a credible deterrent and that other signs of weakness or instability in the South had opened the door for a quick victory, it is doubtful that either Moscow or Peking would be willing or able to place a veto on the venture.

20. Moreover, the buildup of offensive military capabilities in the North and its growing self-reliance in arms production suggest that Pyongyang recognizes that it must be able to mount a surprise attack without Soviet and Chinese support. We believe that the North is capable of such an operation.

21. Moscow and Peking no doubt are anticipating North Korean pressure for increased military assistance in the event that a US force reduction leads to a substantial upgrading of South Korean military capabilities. The Chinese in recent years have been more forthcoming than Moscow in supplying military assistance. But Pyongyang would have to turn primarily to Moscow since China cannot supply the advanced equipment North Korea would require to match a US assistance package for the South.

22. Moscow has turned a deaf ear to Pyongyang's requests for more sophisticated military equipment in recent years. If,

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-10-

however, they believed that South Korea's military capability had been significantly upgraded, they would probably respond with assistance to strengthen the North. Over the next year or so, Moscow is not likely to respond to requests for offsetting aid in a manner which further tilts the military balance in favor of the North.

23. We do not believe that a US force reduction, accompanied by compensating measures, would significantly alter current Soviet or Chinese perceptions of the US as a world power or significantly complicate the US relationship with either. Both, for some time, have seen the US as generally on the defensive internationally and, more specifically, as unwilling to become engaged in a future land war in Asia. Both will base their future calculations of US influence in the East Asian region in large part on the degree to which the US maintains its ability to project military force as a Pacific power.

#### Elsewhere in East Asia

24. The ASEAN states share the general concern that stability be maintained on the peninsula and see a continuing link between the maintenance of American power in Asia and their own security. None, with the possible exception of the Philippines, has confidence that the US would defend them in any regional conflict. But all of them believe that a continued American presence and interest -- including a military presence "over the horizon" -- is an essential element in maintaining the present equilibrium in Southeast as well as Northeast Asia.

25. The Chinese Nationalists on Taiwan probably will see a withdrawal of ground forces from South Korea as reinforcing their view of Washington's reduction of its commitments in East Asia and of the inevitability of an eventual normalization of relations between Washington and Peking. Over the short term, however, Taipei may also argue that the US should not simultaneously withdraw its ground forces in South Korea and abrogate its security treaty with the Nationalists.

26. Elsewhere, North Korea may hope that a US ground force withdrawal from South Korea will be seen as vindicating its policies and thus provide additional support for Pyongyang.

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SECRET

- 11 -

We believe, however, that US withdrawal plans will more likely work against North Korea's efforts to mobilize world opinion against Seoul and Washington. Support for North Korea in the Third World has levelled off in the last year or so due to Pyongyang's blunt tactics and an effective counterattack by South Korea and the US. With a US withdrawal underway, the Korean problem in general is likely to become less urgent in the nonaligned movement, even for Third World militants. Indeed, the US and South Korea may find it easier to focus international attention on the key issue of maintaining stability on the Korean Peninsula.

13 May 1977

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